Section 149 Company to have BOD

→ only individual can Become a director.

Minimum directors

Pub. Company	pvt. Co.	OPC
↓	↓	↓
3	2	1

Max. directors

↳ 15 Directors

* AOA may provide Lower Max. Limit.

* More than 15 directors???

Ans "Special Resolution"

Q. Consequences if no. of directors reduced below Statutory minimum???

Ans

Situation I	Situation II	Situation III
If quorum ⇒ ✓ Then Convene BM or EGM * Any other Biz after such Reduction ⇒ Invalid.	If quorum ⇒ ✗ Then Reg-n 69 Table F or Continuing May Co-opt director / Convene GM	If Company becomes director-less Sec 168(3) ↳ Promoters or ↳ By C.G

Proviso to Sec 149(1) Woman director

Every listed Co.
or pub co. having → paid-up cap 100 crore
→ T/O 300 crore
} Should have atleast 1 director

⇒ Interim Vacancy ⇒ 3m में

⇒ New Co → 6m
⇒ Existing → 1 साल में।

Sec 149(6) Independent Director

Sec 150 Manner & Selection of I.D & Data Bank.

Section 151 Small Shareholders Directors

A Listed Co. May → Suo Moto
or
on Appⁿ By Small SH.
→ elect 1 Small SH. Director

{1000 or 1/10th of Total no of Small SH [whichever less]}

Q. Who is Small SH.??

Ans means SH. holding Shares of Nominal Value not more than ₹ 20000.

Special features of S.SH. director

→ Considered as I.D.
→ Rotation → X
[Tenure- 3 साल]

→ Max. 2 Com. मे ही ऐसी directorship हो सकती है। & दोनो Co. मे आपस मे Competion नही होना चाहिए।

→ After ceasing the office → 3 साल तक No direct or Indirect Relationship with Co.

Section 152. Rotation & first directors

Sec 152(1) FIRST DIRECTORS

Option-1 → Those whose name is written in AOA as directors

If Not

option-2 → "Deemed first directors"
i.e all the Subscribers of MOA []

deemed → Hold office upto first "EGM."

option-1 वाले → Regular Cycle मे चले जाएंगे।

Section 152 Rotation & first directors

Sec 152(1) FIRST DIRECTORS

Option-1 ⇒ Those whose name is written in AoA as directors

If Not

Option-2 ⇒ "Deemed first directors"
i.e all the Subscribers of MoA [ ]

deemed ⇒ Hold office upto first "EGM."
option-1 वाले ⇒ Regular cycle मे चले जाएँगे।

Sec. 152(6) & (7) ROTATION

Total Directors { (−) I.D, (−) Add-nl, (−) Small SH }

"ATLEAST 2/3rd" Rotational — $1/3^{rd}$ of 2/3 Every year will Retire.

Non-Rotational

Non Rotational
Specified by → Either by AoA or → By Resolution appointing them.

Tenure "जीवन भर" — But Subject to Sec 169.

AoA may provide that All directors may Retire.

Q. who will retire first ??
Ans FIFO Method.
Q. If same date ??
Ans By Mutual agreement
If Not → By draw of LOT.

* Pvt. Company पर ये provision नहीं लगता है।

at AGM

→ Reappoing the Retiring

or

→ appointing other than Retiring

or

→ May 'Resolve' not to fill-up.

→ If Nothing of above

Then $\boxed{\text{Meeting Adjourned}}$

[Same day, Next week
Same time, Same place
other than Holiday]

IF NO Decision

↓

"deemed to be
Re-appointed"

unless

① disqualified.
② expressed unwillingness
③ Resolution put & Lost
④ Sec 162.

Section 161.

Section 161(1) Additional Director.

⇒ Power "derived from AOA"

⇒ Board to Appoint
[either By meeting or Resolution by circulation]

बेदाग़ औरत [Rejected]

⇒ GM ??
Yes, only if AOA so provide.

Tenure of office.
→ upto the date of Next AGM
or
→ Last date of AGM
[whichever is earlier]

⇒ **For Bonafide Intrest of Co.**

⇒ Same Rights & duties as of ordinary

Additional director appointed as MD
"Office of MD is co-terminus with that of director"
अगर immediately Sec160 मे [Ordinary director] appoint हो जाता है तो MD की post vacate करने की जरूरत नही है।

Sec. 161(2) Alternate Director

⇒ BOD to appoint
[——— " ———]

⇒ ~~GM~~

⇒ Two ways :-

Way 1: AOA → Authorise → BOD

Way 2: GM Authorised by "OR" → BOD

Appoint ⇒ Alternated Director.

⇒ why ??
Intention to be Absent from India for 3 months.
~~NRI/ foreign directors~~

\# Tenure of office
↳ No Longer than orginal — death
↳ India Return → vacate

Jason Eng. Trading Co. Ltd.
शादी मे आया

1 outsider – 1 alternate directorship
director – सिर्फ 1 के लिए Alternate

I.D के लिए Alternative भी I.D ही होना चाहिए।

Sec. 161(3) Nominee Director

⇒ "Subject to AoA"

⇒ BOD to appoint
[——— " ———]

⇒ Role
① policy making मे ध्यान दो।
② protect intrest of Institution
③ work for Best intrest of company also.

⇒ Always "Non-Rotational"

⇒ Max. No. of Nominee directors ⇒ 3
[According to policy guideline]

Sec 161(4) CASUAL VACANCY Director.
(only on pub.co.)

⇒ "Subject to AoA"

⇒ only By BOD.
Board meeting only.

⇒ Casual Vacancy should be only of those directors who have been appointed in GM

dept. clarification

A (GM) —C.V→ B (BM) —C.V→ ✓ yes 161(4)

⇒ Company "May" fill vacancy.

⇒ Tenure of office
– Till expiry of term in whose place he was appointed.

Scanned by CamScanner

Section 162 | Appointment to be Voted Individually

GM के case मे only.

Exception of this sec.

First pass draft Resolution {i.e Motion}
& should be unanimously passed.
Then pass "OR" of appointing directors.

Effects of Contravention

Resolution would be "Void"
⇒ whether obj is taken or not.
[सब Companies पर लगता है]

Section 163 | Principle of Proportional Representation

⇒ Directors are to be appointed in the proportion of shares held by them.
⇒ pub + pvt
⇒ Article to Specially provide.
⇒ Not less than $2/3^{rd}$ according to this principle
⇒ "Notwithstanding Section" ~~164~~
⇒ Office – 3 साल तक
& they are eligible for Re-appointment. [provided SH]

Section 164 | Disqualifications

Section 165 | Limit on Directorship.

Max. 20 [कोई भी प्रकार का director]

- Max. 10 in pub. co.
- pvt. co.

⇒ SR or AOA से ceiling कम की जा सकती है But ज्यादा नही की जा सकती है।

Holding & Sub.] of a pub co. will also be treated as pub. Company.

Sec 166 | Duties of Directors

→ Act According to AoA
→ Good Faith to promote Companies objectives to its members as a whole
→ due Reasonable care, due-deligence & Independent judgement
→ donot involve in a situation which directly or indirectly conflict of intrest with Company.
→ Shall not achive undue advantage
→ Shall not assign his office.
→ Penalty ⇒ 100000 – 500000

Scanned by CamScanner

Sec. 167	Vaction of Office of Directors
Sec 168	Resignation By director [Amendmt]
Sec 169	Removal of Directors

Sec 170 — Register of Directors/KMP & their Shareholding.	Sec. 171 — Member's Right to Inspect	Sec 172. — Resudary Penalty
① details of directors & KMP ② their SHing details ③ Return in DIR-12 within 30 days of any change with Roc.	Sec170's Register ↳ Shall be open for inspection ↳ Copies – 30days # free of cost ↳ Shall be kept at every AGM.	Co. & Every Officer in default ₹ 50000 – ₹ 500000